

# **AMERICAN ASSOCIATION OF WOODTURNERS**

## **Board of Directors Meeting**

Saturday, January 24, 2015

### **CALL TO ORDER**

A regular meeting of the AAW Board of Directors was convened at The Westin Convention Center Hotel in Pittsburgh, PA, at 8:30 a.m. eastern standard time on Saturday, January 24, 2015, with director Kurt Hertzog presiding.

Board members in attendance were Jeff Brockett, Denis Delehanty, Kathleen Duncan, Art Liestman, Greg Schramek, Louis Vadeboncoeur, Rob Wallace, and Lou Williams.

### **Executive Session**

The meeting opened with a brief executive session with Board members only in attendance.

The regular meeting resumed at 9:05 a.m. with Board members joined by Phil McDonald, Linda Ferber, Kim Rymer and Josh Friend.

### **APPROVAL OF MINUTES**

The minutes of the December 17, 2014, board meeting and January 7, 2015 special board meeting were both unanimously accepted as published.

### **TREASURER'S REPORT**

Greg Schramek reported that the year-end loss forecast declined from a projected \$33,000 year-end loss, reported in November, to a projected \$16,000 loss. He anticipates that the projected loss could fluctuate by about \$2,000.

Phil McDonald noted that the cash flow statement includes prepaid expenses for membership dues and Symposium-related registrations. He also stated the preliminary 2014 audit field work is scheduled to occur in early March.

Greg commented on the high quality of the financial reports and indicated that Philip Hauser will remain on the Finance Committee and replace Warren Carpenter as a non-board member on the Committee.

Phil reported that the 2014 loss was attributable primarily to the poor financial performance of the Phoenix Symposium. He indicated that the extremely positive end-of-year fundraising performance limited the projected amount of that loss. Phil explained that he is optimistic about the 2015 Symposium in Pittsburgh and believes the projected 1,800 attendees is a conservative number.

Kurt Hertzog stated that the AAW operates primarily on the revenues from membership dues and Symposium receipts, and recommended development of additional income streams.

Phil referred to the work undertaken in 2013 by the Finance Committee to regularly assess AAW reserve levels, and he distributed the most current reserves analysis. The AAW reserves level goal is a minimum of \$460,000, which is about three months of normal operating expenses, to be sustainable and noted that the organization has a history of drawing from our restricted, prepaid membership dues, to fund our operations

On behalf of the Finance Committee, Greg Schramek recommended that the board accept the Treasurer's report as written. Denis Delehanty made a motion to accept the report, which was accepted unanimously. (No second was needed.)

## **EXECUTIVE DIRECTOR REPORT**

### **Membership Report**

Phil McDonald reported that the official published membership total at December 31, 2014, was 14,708, a 3% decline from 15,187 for December 31, 2013. Phil discussed how the outlier decrease between January and February 2014 carried with us all year, and the specific cause remains unknown. He confirmed that members who renew late (after expiration) have a gap in membership and their membership re-starts on the date of their renewal. There are technical and staffing constraints which inhibit the AAW from handling the renewals differently at this point. Lapsed members receive continuous reminders to renew.

Rob Wallace moved that the board accept the Membership report as presented. Greg Schramek seconded the motion and the board unanimously accepted the Membership report as presented.

## **2015 Business Plan Outline**

### **Strategic Initiatives**

Phil summarized business priorities for 2015 and noted the two major strategic initiatives that will carryover from 2014. The AAW will continue to complete remaining project priorities of the Chapter Relations Initiative work plan, which includes a demonstrator scheduling tool. Additionally, the initial research of the Learning Services and Products Initiative work group will be completed, including a study of market sectors and performance of an environmental scan to identify gaps in services and products. A more comprehensive work plan of the Learning Services and Products Initiative work group will follow to bridge gaps in priority areas.

## **Membership**

Phil explained that in 2015 the AAW will begin to more aggressively pursue members who have lapsed, or who are at a high risk of lapsing, with a variety of customized marketing messages and renewal campaigns including telephone follow-ups. There are also plans to put more emphasis on partnerships with vendor and advertisers attract new members.

Phil noted that the current membership administration system can be set to automatic renewal for either 100% or 0% of members. However, it does not currently permit individual members to elect whether or not they would like their membership to be renewed automatically.

## **Symposium**

Phil explained that the income and expense goals for the 2015 Symposium in Pittsburgh are based on 1,800 attendees. Symposium registration is monitored through analysis of past trends. To date, hotel reservations for Pittsburgh are at a historical high and the AAW is now referring registrants to the Omni William Penn, the secondary Symposium hotel. Additional hotels for overflow are being identified.

## **Grants**

Phil explained that the AAW was encouraged to a Minnesota State Arts Board (MNSAB) grant, and recently applied. The MNSAB Operating Support grant program serves to support all aspects of the arts in Minnesota and arts services organizations like the AAW in particular. If approved, the first distribution would be in August. More grant applications will be submitted by the AAW in 2015.

Phil stated an updated, board approved, strategic plan is needed to accompany grant applications and indicated he will present an updated draft to the board for review in input for the June meeting.

Lou Williams made a motion to accept the 2015 Business Plan. The board unanimously accepted the plan as presented. (No second was required.)

*The meeting broke for 15 minutes and resumed at 10:22 a.m. eastern standard time. Gail Olmsted, with Complete Conference Coordinators, and David Dudney, local symposium liaison, joined the meeting for a discussion about the Symposium.*

## **2015 Pittsburgh Symposium**

### **Updates & Timeline**

Phil McDonald noted that site selections are made about three years in advance, and that the 2016 Symposium will be held in Atlanta and the 2017 will be held in Kansas City. Board members were asked to keep the Kansas City site confidential because it has not been officially announced. Phil noted that there will be formalized videographer training and Internet connectivity improvements in Pittsburgh. The takeaways from the 2014 Phoenix Symposium also included improving logistics and creating greater contingencies. Phil acknowledged David Dudney's volunteer recruitment efforts as a new standard for Symposium project management.

Gail Olmsted stated that her goals include ensuring a great experience for attendees and exhibitors, as well as a positive return on investment for the AW. It is a positive indicator that the host hotel, The Westin Convention Center, is already filled. Additional overflow hotels have been identified and offer the potential for shuttle service, free breakfast, free parking, and other options in the same \$145 per room range. Safety evacuation procedures will be standardized and the credentialing process will be coordinated for efficiency. Working with the union presents unique challenges with respect to assembly and transfer of equipment and supplies. Her crew plans to shadow the union staff, develop relationships, and circumvent potential obstacles. Gail encouraged having symposium volunteer chairs use her as a resource and reminded all that onsite logistics-based concerns should be directed to her.

Jeff Brockett noted that all demonstrators have been contacted and that an offsite facility has been identified for delivery of early shipments and assembly of items.

David Dudney stated that it was extremely helpful to have had the opportunity to work with Ana Lappegard, Symposium local chapter liaison for the 2014 Phoenix Symposium. He has gone on a roadshow to woodturning groups to promote the Pittsburgh Symposium and has recruited between 135 and 150 volunteers to date.

Kurt Hertzog noted that Steve Pritchard, Symposium local chapter liaison for the 2016 Atlanta Symposium, will shadow Dave in Pittsburgh, and that the new model calls for new liaisons to be involved early. At symposia, the board's primary responsibility is to serve as ambassadors, socialize with attendees, and satisfy concerns. Board members will each receive three Symposium shirts and he encouraged board members to wear them.

Rob Wallace suggested that attendees receive more advance notice to download the Guidebook Symposium app for iPhone/Smartphones. Phil McDonald suggested that the app be mentioned in an upcoming issue of the journal.

### **Volunteer Committee Handbook Briefing**

Phil McDonald indicated that John Ellis, national Symposium volunteer chair, has thoroughly documented procedures and recently published a recent revision to the Volunteer Committee Handbook, which describes basic volunteer responsibilities.

### **Board Assignments**

Kurt Hertzog presented the following list of board Symposium assignments as presented by Symposium Chair, Jeff Brockett:

Kurt Hertzog - Put out fires  
Louis Vadeboncoeur - International Demonstrators and Visitor Badges  
Art Liestman - Exhibitions  
Lou Williams - Youth Room  
Kathleen Duncan - Instant Gallery  
Denis Delehanty - Vendors  
Rob Wallace - Safety  
Greg Schramek - Registration and Attendee ambassador  
Open position - Video crew  
Jeff Brockett - Video  
Dale Larson - Tool Room

### **2016 Atlanta Symposium Update**

Phil McDonald reported that The Westin Peachtree Plaza has been booked for the 2016 Symposium. It is connected to AmericasMart Atlanta, the Symposium meeting venue. The hotel will offer a tiered room rate between approximately \$125 and \$145 per night. AmericasMart Atlanta is a private enterprise designed for wholesale merchandise sales. The stacked layout of the facility and morning rush hour traffic could be potential challenges. The 2016 Symposium will draw from two regionals and the 30<sup>th</sup> anniversary offers an obvious marketing opportunity.

Gail Olmsted stated that the stacked layout means things are actually closer together. She noted that the facility has some great areas where attendees can rest and/or converse. If the Westin block sells out, she has already identified additional hotel options within two-blocks. The labor in Atlanta is a hybrid between union and non-union. Atlanta will feel different because it is a private building with open and closing times and security to fend off anyone not authorized to be there.

Kurt Hertzog read the names of invited demonstrators for the 2016 Symposium and reported that an official announcement of demonstrators will occur in the journal or be reported by the office at a later date.

## 2017 Kansas City Update

Phil McDonald updated the status of the contract with the Kansas City Marriott Downtown hotel and confirmed that it was signed at the 11<sup>th</sup> hour. The contract with the Kansas City Convention Center is close to being finalized. The Marriott would not accept two of our interests: telephone room reservation support and a lowest rate guarantee clause. Phil expressed confidence that these are manageable shortcomings

Gail Olmsted indicated that the positives of the hotel outweigh the negatives.

Kurt Hertzog reiterated that the 2017 site city has not been officially announced and reminded the board to keep the site city confidential.

## 2018 Symposium

Phil McDonald reported that Pittsburgh, Atlanta, and Kansas City, were sites specifically selected to best guarantee financial viability. The bylaws state that the AAW will move the Symposium around the country. He recommends that future selections also consider viability as a top criterion, and otherwise be prepared to subsidize the symposium with membership dues. It is proving more difficult to find suitable locations west of the Mississippi.

Gail Olmsted reported that Nashville and Portland are current hot convention sites that these cities are turning away big spending groups like pharmaceutical companies. Spokane and Anaheim have potential viability, whereas New York City, Boston, and Baltimore are not feasible options.

Denis Delehanty recommended that Montreal be considered as the site for a future Symposium. Gail noted that while there would be a benefit to the Canadian dollar, logistically it would be a massive undertaking because of freight differences, procuring wood, and more.

Kurt Hertzog reported that Canada has been considered in the past, however there had never a champion in the Canadian market. Now we have Canadian champions, but longer term planning would be required. Totally Turning has maxed out its capacity and bigger is not always better. It's important to retain the quality of the event.

Phil McDonald indicated there is still time for researching locations before the 2018 selection process gets underway this summer, so the board should keep the dialogue going.

- *The board meeting broke for lunch and a tour of the convention center, and reconvened at 3:38 p.m.*

## **Fundraising Report**

Phil McDonald reported that fundraising increased 120% in 2014. The annual fundraising goal was \$48,000 (\$30,000 cash gifts and \$18,000 for Symposium sponsorships) and the total raised was \$70,462. The largest donations can be attributed to Dale Larson's diligent personal contact.

Kurt Hertzog asked for a board member to fill Dale Larson's fundraising role. In the absence of a volunteer, Kurt indicated that he would work with Dale to keep up the fundraising momentum.

Other fundraising ideas were discussed including a holiday auction of pieces donated by collectors.

## **Chapter Affiliation Agreement**

On behalf of the Chapters and Membership Committee, Phil McDonald presented the board with a model for an affiliation agreement between chapters and the AAW. He explained that the interest in adopting an affiliation agreement emerged from 2014 Chapter Relations Initiative (CRI) discussions about the philosophical basis of the relationship between the AAW and its chapters. The discussion document articulates the principal underpinnings of the relationship. Phil noted the reaction to the draft by a subset of the CRI group was somewhat positive. The agreement could conceivably expand to include some of the chapter philanthropic efforts, which offer an entry point for new members. Chapters have an advantage in that they provide engagement and connection in the community.

Louis Vadeboncoeur noted that the document was written in terms of moral commitment and that it begins to clarify the relationship, which could lead to something more official. It is important that the board discuss when and how to present it to chapter leaders.

Kurt Hertzog suggested limited roll-out of a full or partial document, between now and June and noted he was concerned about chapters sharing their membership information.

Based on the board discussion, Louis stated that the draft document needs to be stronger. He indicated the document needs to be tested with at least ten people and suggested taking the document to a focus group for feedback and presented again at a later date.

## **Resolution to Reappoint Trustee of Endowment Trust Funds**

Phil McDonald reported that John Hill's term as an endowment trustee for the AAW Memorial Endowment and the Daphne Osolnik Endowment will expire in July 2015 and that John has expressed an interest in serving another three year term.

Kurt Hertzog presented the board with a resolution to reappoint John Hill as a trustee of the AAW Memorial Endowment and the Daphne Osolnik Endowment trusts. Greg Schramek made a motion to accept the resolution. Art Liestman seconded the motion and the board unanimously accepted the resolution as presented.

RESOLVED, that the corporation be, and hereby is, authorized to approve the reappointment of John Hill as an endowment trustee for the AAW Memorial Endowment and the Daphne Osolnik Endowment trusts.

## **ADJOURNMENT**

Kurt Hertzog requested a motion to adjourn the board meeting.

Rob Wallace made a motion to adjourn the meeting and Jeff Brockett seconded the motion. The board unanimously adjourned the meeting at 4:35 p.m. eastern standard time.

Respectfully submitted,

Rob Wallace  
Secretary

# **AMERICAN ASSOCIATION OF WOODTURNERS**

## **Board of Directors Meeting**

Sunday, January 25, 2015

### **CALL TO ORDER**

A regular meeting of the AAW Board of Directors was convened at The Westin Convention Center Hotel in Pittsburgh, PA, at 8:30 a.m. eastern standard time on Sunday, January 25, 2015, with director Kurt Hertzog presiding.

Board members in attendance were Jeff Brockett, Denis Delehanty, Kathleen Duncan, Art Liestman, Greg Schramek, Louis Vadeboncoeur, Rob Wallace, and Lou Williams. Also in attendance were AAW personnel, Phil McDonald, Linda Ferber, Josh Friend, and Kim Rymer.

### **2015 BOARD MEETING DATES**

The board scheduled its November face-to-face board meeting in Saint Paul for the weekend of November 13, 14 and 15. Other upcoming 2015 board meeting dates were identified as follows:

- February 18th
- March 18th
- April 22th
- May 20th
- June 23<sup>rd</sup>, 24<sup>th</sup>, and 29th

### **ETHICS POLICY & CONFLICT OF INTEREST**

Louis Vadeboncoeur presented the board with the current Ethics Policy and Conflict of Interest Policy documents. He also informed the board about a potential conflict of interest situation he observed. Louis asked that all Committee chairs and Committee members be made aware of these policies and recommended that a process be defined to handle disclosures of possible conflicts of interest and ethics violations. He agreed to send board members a brief and a recommendation.

### **LEARNING & INFORMATION PRODUCT SERVICES**

Phil McDonald updated the board on the Learning & Information Product Services work group composed of Louis Vadeboncoeur, Josh Friend, Tib Shaw, and himself. The group's work will help to ensure that the AAW continues to offer relevant model of products and services into the future. Currently, the group is performing an environmental scan, as well as pinpointing AAW constituent groups and the needs of each stakeholder group. A preliminary report of the results of their study will be presented in April or May, and the conclusions will serve as an outline for a strategic plan and specific work plan.

## **REGIONAL SYMPOSIUMS**

Kurt Hertzog encouraged board members to represent the AAW at regional events they plan to attend. He indicated that AAW Symposium registration and t-shirts are available as prizes for regional drawings and raffles, and that board members should notify Linda Ferber if they plan to attend and represent the AAW.

Kurt reported that Josh Friend, Linda Ferber and Phil McDonald will represent the AAW at Totally Turning Symposium, Saratoga Springs, NY, in March 2015.

## **AW PRESIDENT'S LETTER**

Kurt Hertzog reported that for the President's Letter featured in the April issue of *American Woodturner* journal, he will address the following topics: donor thank you, chapter support, membership renewals, the AW journal's foray into video, and the 2015 AAW Symposium. He was asked to also specifically note 2015 Symposium topics including a call for volunteers, companion program, youth program, Beads of Courage, and the *Her Turn* exhibition.

The meeting broke for 15 minutes and resumed at 10:08 a.m.

## **TWB UPDATE**

Louis Vadeboncoeur provided the board with an update on the Turners Without Borders program. He described the work that Terry Martin has done in China at the Wenzhou Special School, and noted that there will be future journal articles highlighting the details their initiatives. Louis stated he would like to engage the board in discussions about future strategic TWB programming and will prepare a discussion paper for this purpose.

## **COMMITTEE UPDATES**

### **Woodturning FUNdamentals**

Linda Ferber confirmed that the AAW offers Woodturning FUNdamentals advertising opportunities in its current marketing prospectus.

### **Best Practices – Chapter 501(c)(3)**

Denis Delehanty informed the board that the IRS has developed a new 1023EZ application for small organizations (less than \$50,000 in revenues) who are seeking nonprofit status. He stated that he would review the new application process to determine it impacts the work already undertaken to update the 501(c)(3) best practices resources.

### **Education Opportunity Grants (EOG)**

Rob Wallace reported that the EOG Committee received 101 grant applications and that the Committee will finish reviewing the applications by the end of January. There is \$10,000 less available for distribution in 2015, as compared with 2014. Approximately two-thirds of the applications request funding for equipment purchases.

### **Nominating Committee**

Jeff Brockett reported that the Nominating Committee is reviewing the skill sets of a short list of potential new board members for 2016 and that there will be an official call for board members in an upcoming copy of the journal. The board was asked to inform him of any additional recommendations.

## **UNFINISHED BUSINESS**

### **2015 Symposium**

Phil McDonald confirmed that there could potentially be a point when the AAW will need to cap 2015 Symposium registrations. He indicated that Al Hockenbery has a model to help determine room capacity and that between 2,500 and 3,000 attendees would be difficult to accommodate without compromising attendee experience. Phil stated that registrations and hotel reservations over the next two months will offer indicators of actual attendance and the AAW will need to manage expectations.

Denis Delehanty recommended the AAW consider offering a short video of available AAW merchandise.

Phil McDonald stated that the Symposium will provide an unparalleled opportunity to capture video of demonstrators, vendors, and others, who can make a strong case for AAW membership.

Art Liestman suggested that the AAW consider reducing the number of Symposium shirts (currently three) it provides for board members as a small cost saving measure. Phil McDonald stated the purpose of providing the shirts is to make the board and staff prominent and identifiable. He asked board members to contact him if they have other thoughts to share, and indicated he will review source and pricing, and provide the board with a recommendation.

### **Donors**

Phil McDonald confirmed that the names of all donors, except for those who have asked to remain anonymous, will be published. Denis Delehanty suggested that the AAW consider providing donors a specific way to opt out of having their names published.

## **ADJOURNMENT**

Jeff Brockett made a motion to adjourn. Kathleen Duncan provided a second, and the meeting was unanimously adjourned at 10:48 a.m. eastern standard time on Sunday, January 25, 2015.

Respectfully Submitted,  
Rob Wallace, Secretary